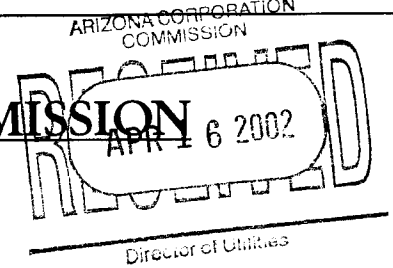
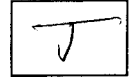


**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**



**ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY**



W-01580A  
TONTO VILLAGE WATER COMPANY  
P. O. BOX 9116  
MESA AZ 85214-

**ANNUAL REPORT**

**FOR YEAR ENDING**

12	31	2001
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FOR COMMISSION USE

ANN04	01
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Processed by:

4-18-02 cm

SCANNED

18 APR 2002

## COMPANY INFORMATION

<b>Company Name (Business Name)</b> <u>Tonto Village Water Company, Inc.</u>			
<b>Mailing Address</b> <u>P.O. Box 9116</u>			
(Street)			
<u>Mesa</u>	<u>Arizona</u>	<u>85214</u>	
(City)	(State)	(Zip)	
<u>(480) 807- 5098</u>			
Telephone No. (Include Area Code)		Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
<b>Email Address</b> _____			
<b>Local Office Mailing Address</b> <u>P.O. Box 9116</u>			
(Street)			
<u>Mesa</u>	<u>Arizona</u>	<u>85213</u>	
(City)	(State)	(Zip)	
<u>(480) 807- 5098</u>			
Local Office Telephone No. (Include Area Code)		Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
<b>Email Address</b> _____			

## MANAGEMENT INFORMATION

<b>Management Contact:</b> <u>Rebecca Standage</u>		<u>Secretary/Treasurer</u>	
(Name)		(Title)	
<u>P.O. Box 9116</u>	<u>Mesa</u>	<u>Arizona</u>	<u>85214</u>
(Street)	(City)	(State)	(Zip)
<u>(480) 807- 5098</u>			
Telephone No. (Include Area Code)		Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
<b>Email Address</b> _____			
<b>On Site Manager:</b> <u>Jerry Bauler</u>			
(Name)			
<u>HC-7, Box 181-D</u>	<u>Payson</u>	<u>Arizona</u>	<u>85541</u>
(Street)	(City)	(State)	(Zip)
<u>(520) 478-4128</u>			
Telephone No. (Include Area Code)		Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
<b>Email Address</b> _____			

**Statutory Agent:** Rebecca Standage

(Name)

3250 E. Encanto

Mesa

Arizona

85213

(Street)

(City)

(State)

(Zip)

(480) 807-3880

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Attorney:** Gove Allen

(Name)

935 E. Main Street #101

Mesa

Arizona

85201

(Street)

(City)

(State)

(Zip)

(480) 964-0141

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

- |   |  |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S)    | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P)        | <input type="checkbox"/> Subchapter S Corporation (Z)                                |
| <input type="checkbox"/> Bankruptcy (B)         | <input type="checkbox"/> Association/Co op (A)                                       |
| <input type="checkbox"/> Receivership (R)       | <input type="checkbox"/> Limited Liability Company                                   |
| <input type="checkbox"/> Other (Describe) _____ |  |

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- |  |                                   |                                   |
|--|-----------------------------------|-----------------------------------|
| <input type="checkbox"/> APACHE          | <input type="checkbox"/> COCHISE  | <input type="checkbox"/> COCONINO |
| <input checked="" type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM   | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ          | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE   |
| <input type="checkbox"/> NAVAJO          | <input type="checkbox"/> PIMA     | <input type="checkbox"/> PINAL    |
| <input type="checkbox"/> SANTA CRUZ      | <input type="checkbox"/> YAVAPAI  | <input type="checkbox"/> YUMA     |
| <input type="checkbox"/> STATEWIDE       |                                   |                                   |

**COMPANY NAME**

Tonto Village Water Company, Inc.

**UTILITY PLANT IN SERVICE**

<b>Acct. No.</b>	<b>DESCRIPTION</b>	<b>Original Cost (OC)</b>	<b>Accumulated Depreciation (AD)</b>	<b>O.C.L.D. (OC less AD)</b>
301	Organization			
302	Franchises			
303	Land and Land Rights	3,465.72	-0-	3,465.72
304	Structures and Improvements			
307	Wells and Springs	11,120.87	8,926.54	2,194.33
311	Pumping Equipment	14,248.24	10,721.19	3,527.05
320	Water Treatment Equipment	2,779.94	1,710.47	1,069.47
330	Distribution Reservoirs and Standpipes	26,430.69	22,263.48	4,167.21
331	Transmission and Distribution Mains	46,101.34	38,455.04	7,646.30
333	Services			
334	Meters and Meter Installations	9,969.48	7,133.99	2,835.49
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	3,064.47	2,258.94	805.53
340	Office Furniture and Equipment	2,079.63	886.00	1,193.63
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment	162.16	146.00	16.16
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	119,422.54	92,501.65	26,920.89

This amount goes on the Balance Sheet Acct. No. 108

**COMPANY NAME**

Tonto Village Water Company, Inc.

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

<b>Acct. No.</b>	<b>DESCRIPTION</b>	<b>Original Cost (1)</b>	<b>Depreciation Percentage (2)</b>	<b>Depreciation Expense (1x2)</b>
301	Organization			
302	Franchises			
303	Land and Land Rights	3,465.72		
304	Structures and Improvements			
307	Wells and Springs	11,120.87		
311	Pumping Equipment	14,248.24	.03	381.00
320	Water Treatment Equipment	2,779.94	.05	139.00
330	Distribution Reservoirs and Standpipes	26,430.69	.005	132.00
331	Transmission and Distribution Mains	46,101.34	.0005	25.00
333	Services			
334	Meters and Meter Installations	9,969.48	.01887	188.00
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	3,064.47	.03	103.00
340	Office Furniture and Equipment	2,079.64	.20	415.00
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment	162.16	.34	55.00
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	119,422.54		1,438.00

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.



**COMPANY NAME**

Tonto Village Water Company, Inc.

**BALANCE SHEET**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 7,878.33	\$ 6,610.27
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 7,878.33	\$ 6,610.27
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 119,177.61	\$ 119,422.54
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(91,063.65)	(92,501.65)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	<b>TOTAL FIXED ASSETS</b>	\$ 28,113.96	\$ 26,920.89
	<b>TOTAL ASSETS</b>	\$ 35,992.29	\$ 33,531.16

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

## BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITES</b>		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	1,118.48	1,118.48
236	Accrued Taxes	50.00	50.00
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 1,168.48	\$ 1,168.48
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$	\$
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	2,888.85	3,540.63
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	\$ 2,888.85	\$ 3,540.63
	<b>TOTAL LIABILITIES</b>	\$ 4,057.33	\$ 4,709.11
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 54,922.80	\$ 54,922.80
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	(22,987.84)	(26,100.75)
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	\$ 31,934.96	\$ 28,822.05
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 35,992.29	\$ 33,531.16

**COMPANY NAME**

Tonto Village Water Company, Inc.

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

<b>Acct. No.</b>	<b>OPERATING REVENUES</b>	<b>PRIOR YEAR</b>	<b>CURRENT YEAR</b>
461	Metered Water Revenue	\$ 21,478.26	\$ 19,224.17
460	Unmetered Water Revenue		
474	Other Water Revenues	365.60	231.40
	<b>TOTAL REVENUES</b>	\$ 21,843.86	\$ 19,455.57
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ 6,000.00	\$ 6,000.00
610	Purchased Water		
615	Purchased Power	4,041.48	4,343.65
618	Chemicals		
620	Repairs and Maintenance	2,492.50	930.40
621	Office Supplies and Expense	1,071.71	1,234.57
630	Outside Services	3,800.00	4,900.04
635	Water Testing	1,910.00	1,035.50
641	Rents		
650	Transportation Expenses	205.80	364.00
657	Insurance – General Liability		
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	1,027.18	83.48
403	Depreciation Expense	1,450.00	1,438.00
408	Taxes Other Than Income	178.50	992.40
408.11	Property Taxes	1,128.00	1,196.44
409	Income Tax	50.00	50.00
	<b>TOTAL OPERATING EXPENSES</b>	\$ 23,355.17	\$ 22,568.48
	<b>OTHER INCOME/EXPENSE</b>		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	<b>TOTAL OTHER INCOME/EXP</b>	\$	\$
	<b>NET INCOME/(LOSS)</b>	\$ (1,511.31)	\$ (3,112.91)



**COMPANY NAME**

Tonto Village Water Company, Inc.

**SUPPLEMENTAL FINANCIAL DATA**  
**Long-Term Debt**

	<b>LOAN #1</b>	<b>LOAN #2</b>	<b>LOAN #3</b>	<b>LOAN #4</b>
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End                      \$ \_\_\_\_\_

Meter Deposits Refunded During the Test Year                      \$ \_\_\_\_\_

**COMPANY NAME** Tonto Village Water Company, Inc.

## WATER COMPANY PLANT DESCRIPTION

### WELLS

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
11-11HAAA	1.25	17	8"	1.25
11-11H5DCO	1.25	17	6"	1.25
11-11Hdcc	1.25	17	5"	1.25

### OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = 3.4

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
34,000	1	2,000	1
10,000	2	1,000	1
2,000	1		

STATISTICAL INFORMATION

Total number of customers	198	
Total number of gallons sold	7,846,690	gallons

**COMPANY NAME**

**YEAR ENDING 12/31/2001**

## INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	(3,062.91)
Estimated or Actual Federal Tax Liability	-0-

State Taxable Income Reported	(3,062.91)
Estimated or Actual State Tax Liability	50.00

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances \_\_\_\_\_  
 Amount of Gross-Up Tax Collected \_\_\_\_\_  
 Total Grossed-Up Contributions/Advances \_\_\_\_\_

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

## CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Alta R. Stordage  
SIGNATURE

4-14-02  
DATE

ALTA R STANDARDS  
PRINTED NAME

V PRESIDENT  
TITLE

**COMPANY NAME** Tonto Village Water Company, Inc. **YEAR ENDING 12/31/2001**

**WATER AND SEWER  
UTILITIES ONLY**

**PROPERTY TAXES**

**Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2001)**

\$ 1,196.44

**Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.**

**If no property taxes paid, explain reasons below:**

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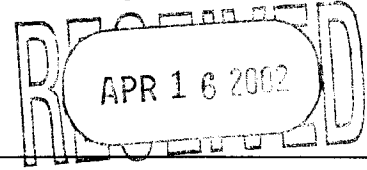
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**VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only**

ARIZONA CORPORATION  
COMMISSION



**VERIFICATION**

STATE OF Arizona

**I, THE UNDERSIGNED**

**OF THE**

COUNTY OF (COUNTY NAME)	Maricopa
NAME (OWNER OR OFFICIAL) TITLE	Rebecca Standage
COMPANY NAME	Tonto Village Water Company, Inc.

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2001

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2001 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 20,667.31

**(THE AMOUNT IN BOX ABOVE**

**INCLUDES \$ 1,443.14**

**IN SALES TAXES BILLED, OR COLLECTED**

**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

SIGNATURE OF OWNER OR OFFICIAL  
(480) 807-5098  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 15th DAY OF

COUNTY NAME	Maricopa
MONTH	April 2002

(SEAL)

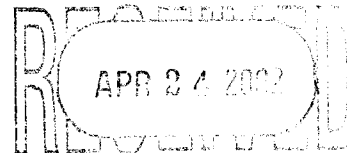
MY COMMISSION EXPIRES June 19, 2002

SIGNATURE OF NOTARY PUBLIC



**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
INTRASTATE REVENUES ONLY**

ARIZONA CORPORATION  
COMMISSION



Director of Utilities

**VERIFICATION**

**STATE OF ARIZONA**

**I, THE UNDERSIGNED**

**OF THE**

(COUNTY NAME) <u>Maricopa</u>	
NAME (OWNER OR OFFICIAL) <u>Rebecca Standage</u>	TITLE <u>Secretary - Treasurer</u>
COMPANY NAME <u>Tonto Village Water Co Inc</u>	

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2001</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2001 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ <u>20,667<sup>31</sup></u>

(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 1443.14  
IN SALES TAXES BILLED, OR COLLECTED

**\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.**

X   
SIGNATURE OF OWNER OR OFFICIAL

**SUBSCRIBED AND SWORN TO BEFORE ME**

**A NOTARY PUBLIC IN AND FOR THE COUNTY OF**

**THIS**

19<sup>th</sup>

**DAY OF**

NOTARY PUBLIC NAME <u>ANGELA PALUMBO</u>	
COUNTY NAME <u>Maricopa</u>	
MONTH <u>April</u>	2002

(SEAL)

MY COMM.



X   
SIGNATURE OF NOTARY PUBLIC

PAY TO THE ORDER OF  
BANK ONE, ARIZONA, NA  
PHOENIX, ARIZONA  
122100024  
FOR DEPOSIT ONLY  
GILA COUNTY TREASURER  
11804047

2370 05700

122100024  
BANK ONE  
ARIZONA, NA  
PHOENIX, ARIZONA  
122100024

122100024

2106070012  
8-2250-1221  
1221-527-8  
TRADER 3841  
MFB TEMPL AZ 04132001

AP 01 12  
122100024  
BANK ONE, ARIZONA, NA  
PHOENIX, ARIZONA

THIS CHECK IS DELIVERED FOR PAYMENT ON THE FOLLOWING ACCOUNTS		AMOUNT
DATE		
9-27-11	41-012	
2000	2000	
2001	34648	
TOTAL OF INVOICES		
LESS % DISCOUNT		
LESS TOTAL DEDUCTIONS		
AMOUNT OF CHECK		

2/34648  
TONTA VILLAGE WATER CO., INC.  
P. O. BOX 9116 PH. 480-807-5908  
MESA, AZ 85214-9116

2551

PAY TO THE ORDER OF Gila County Treasurer \$ 562.03

Five hundred sixty-two and 03/100 — DOLLARS

WELLS FARGO  
305 East Main St.  
Mesa, AZ 85201  
www.wellsfargo.com

002551 12220527810817504020

00000056203



002604 11:22:08.17504020